### GOVERNMENT OF THE DISTRICT OF COLUMBIA

### ZONING COMMISSION

+ + + + +

PUBLIC HEARING

+ + + + +

In the Matter of:

APPLICATION OF THE NEW JERSEY & H LIMITED PARTNERSHIP and THE DISTRICT OF COLUMBIA DEPARTMENT OF ADMINISTRATIVE SERVICES

Case No. 96-16C

Hearing Room 220 South 441 4th Street, N.W. Washington, D.C.

Thursday June 5, 1997

The above entitled matter came on for hearing, pursuant to notice, at 5:30 p.m.

### **BEFORE:**

MAYBELLE TAYLOR BENNETT, Chairperson JERRILY R. KRESS, Vice Chair HERBERT M. FRANKLIN, Commissioner JOHN G. PARSONS, Commissioner

### ALSO PRESENT:

STEFANIE BROWN, Office of Zoning ALBERTO BASTIDA, Office of Planning KENNETH KARKEET, Office of Planning

### I-N-D-E-X

Index Item Page no.	
<u>Case No. 96-16C</u>	
Stephen Gell, representing the New Jersey and H Limited Partnership	8
LuAnn L. Bennett, President NJH Corporation	13
George Hartman Hartman and Cox Architects	18
Brig Owens, Bennett and Owens New Jersey and H Street Limited Partnership	25
Stephen G. Petersen, traffic planning and engineering consultant 29	
Paul Tischler Tischler and Associates	30
Alberto Bastida D.C. Office of Planning	36
Margaret Blaylock Mount Carmel Baptist Church	38
Edward Nesbitt, Executive Director Center City Community Corporation	40
Stephen Gell Closing Remarks	41

P-R-O-C-E-E-D-I-N-G-S

1

1	accordance with the provisions of DCMR 3022. The
2	order of procedure will be as follows. First,
3	preliminary matters including the certification of
4	the maintenance of posting and the identification of
5	parties. Second, the applicant's case. Third, the
6	report of the Office of Planning. Fourth, the
7	report of other agencies. Fifth, the report of
8	Advisory Neighborhood Commission 2-C. Sixth,
9	parties and persons in support and seventh, parties
10	and persons in opposition.
11	The Commission will adhere to this
12	schedule as strictly as possible. Those presenting
13	testimony should be brief and non-repetitive. If
14	you have a prepared statement, please give copies to
15	staff and orally summarize the highlights only.
16	Each individual appearing before the Commission must
17	complete two identification slips and give the to
18	the reporter before making a statement. If these
19	guidelines are followed, an adequate record can be
20	developed in a reasonable length of time.
21	The decision of the Commission in this
22	contested case must be based exclusively on the
23	public record. To avoid any appearance to the
24	contrary, the Commission requests the parties,
25	counsel, and witnesses not engage the Commission in
26	conversation during any recess or at the conclusion

1	of the hearing session. While the intended
2	conversation may be entirely unrelated to the case
3	that is before the Commission, other persons may not
4	recognize that the discussion is not about the case.
5	The staff will be available to discuss procedural
6	questions.
7	All individuals who wish to testify and
8	have not been sworn previously, please rise to take
9	the oath.
10	(The witnesses were sworn.)
11	CHAIRPERSON BENNETT: Thank you. Let's
12	get on with preliminary matters, Ms. Brown.
13	MS. BROWN: Good evening, Madam Chair.
14	This evening we have just received the affidavit of
15	the maintenance of posting and it appears to be in
16	order. It'll be labeled Exhibit No. 48.
17	CHAIRPERSON BENNETT: Thank you.
18	MS. BROWN: You also have before you
19	Exhibits No. 45 through 47. They came in after I
20	delivered the packages. Exhibit No. 45 is a second
21	supplemental memorandum from the applicant. Exhibit
22	46 is the DPW report and Exhibit 47 is a letter of
23	support. And those are all the preliminary matters
24	that I have.
25	CHAIRPERSON BENNETT: Thank you, Ms.
26	Brown.

1	As I understand it, we have three
2	parties in this case: the applicant, New Jersey and
3	H Limited Partnership, ANC-2C and there was a
4	request in our folders from Mount Carmel Baptist
5	Church requesting that they be admitted as parties
6	to the case. In my judgment, the request is
7	properly formulated, and I am disposed to allowing
8	them as parties. Colleagues? Thank you. So Mount
9	Carmel is now a party.
10	Why don't we move on then with the
11	applicant's case. Ms. Kress is mentioning that she
12	thought we had other requests for party status. I
13	didn't see any. I know we had one for the next
14	case. Now, Joshua Group meets at Mount Carmel, and
15	they expect to be represented by Doctor Albert
16	Avant. Is Doctor Avant here? You're not Doctor
17	Avant. Hold on. We're looking for other requests
18	for parties. Did you want to say something?
19	MR. KEYS: Yes, ma'am. I'm George Keys.
20	I'm an attorney. I have represented Mount Carmel or
21	a number of matters. Mount Carmel submitted a
22	letter asking to participate, and I think that there
23	was a certain amount of confusion. They really are
24	here in support, and they also have a letter
25	supporting the application, and I think that was the
26	confusion. It's not party status he was seeking but

1	the right to come.
2	CHAIRPERSON BENNETT: The last sentence
3	reads, "For these reasons, Mount Carmel Baptist
4	Church applies to appear and participate as a
5	party."
6	MR. KEYS: I understand. I understand.
7	CHAIRPERSON BENNETT: So you just want
8	to be supportive.
9	MR. KEYS: Correct, and the Chairperson
10	of the Trustee Board, Ms. Blaylock, Margaret
11	Blaylock, is also here.
12	CHAIRPERSON BENNETT: Okay. So you're
13	not requesting party status. You just want to
14	appear as a person in support. All right. Thank
15	you.
16	MR. KEYS: Thank you.
17	CHAIRPERSON BENNETT: Let's go to the
18	next two. Is Center City Community Corporation or
19	North Capital Neighborhood Development here? Give
20	us your name, your address, and then tell us what
21	you want to tell us.
22	MR. NESBITT: My name is Ed Nesbitt,
23	Executive Director of Center City Community
24	Corporation, 1190 First Place, N.W. We are one of
25	the persons who have been with this project from the
26	very beginning, and we submitted a copy of testimony

1	that we wanted to give and we wanted to simply just
2	be in support.
3	CHAIRPERSON BENNETT: Okay. So on page
4	two of your letter where you ask to participate as a
5	party
6	MR. NESBITT: Yes, but I also sent some
7	additional information including testimony.
8	CHAIRPERSON BENNETT: All right. We
9	have that, but I'm trying to identify parties now so
10	do you wish to be a party or do you simply wish to
11	appear in support?
12	MR. NESBITT: Appear in support.
13	CHAIRPERSON BENNETT: All right. Thank
14	you.
15	North Capital Neighborhood Development,
16	Inc. Is North Capital Neighborhood Development,
17	Inc. here? All right. We have received in the
18	package dated May 7th a letter from them also asking
19	to appear as a party, and if they are not here, that
20	request is denied. So what we have are two parties,
21	the applicant and ANC-2C. Is anyone here from ANC-
22	2C? Okay. Let's proceed then with the applicant's
23	case.
24	MR. GELL: Madam Chairperson, members of
25	the Commission, my name is Stephen Gell. I'm an
26	attorney representing the New Jersey and H Limited

1	Partnership in this application for a planned unit
2	development and zoning modification on the
3	prevocational school site.
4	CHAIRPERSON BENNETT: Do we not have
5	about three or four witnesses you'd like to qualify
6	as experts?
7	MR. GELL: As a matter of fact, we do.
8	I'd be happy to do that at this point.
9	CHAIRPERSON BENNETT: Well, this
10	Commission has seen Mr. Peterson before and I
11	understand you'd like to have him represented as an
12	expert in traffic and transportation. Is Mr.
13	Tischler here?
14	MR. GELL: Mr. Paul Tischler is here.
15	Yes.
16	CHAIRPERSON BENNETT: Okay. Yes, I
17	recognize him. Mr. Tischler has also been before us
18	and has been recognized as an expert in economic
19	consulting.
20	MR. GELL: That's correct.
21	CHAIRPERSON BENNETT: Mr. Hartman, of
22	governo of Hartman Cov. ig hore

- course, of Hartman Cox is here.
- MR. GELL: And Mr. Graham Davidson, as
- 24 well.
- 25 CHAIRPERSON BENNETT: Graham Davidson.
- Mr. Hartman is here.

1	CHAIRPERSON BENNETT: Oh, I thought Mr.
2	Hartman was here. They have been before us. And
3	representatives of New Jersey and H Limited
4	Partnerships are here representing themselves.
5	You're not asking expert status for them.
6	MR. GELL: That's correct.
7	First, I do want to thank you very much
8	I know you had to postpone the last hearing, and I
9	really appreciate your being able to find the time
10	for us this soon after the original date.
11	We're asking for a zoning change from C-
12	2-A and R-4 to C-3-C, something the Commission has
13	already taken significant steps to accomplish under
14	Zoning Commission Case No. 96-12Z part 2. We're
15	also asking for a PUD to build three office
16	buildings and a day care center on lots 190, 191,
17	192, and 193 in square 623.
18	With me are Ms. LuAnn L. Bennett,
19	President of NJH Inc. which is the general partner
20	for New Jersey and H Limited Partnership, Mr.
21	Brigman Owens, the Vice President of NJH Inc. and a
22	limited partner in the partnership, Arthur Monk.
23	Mr. Monk is not here. And, of course, Mr. Hartman,
24	Mr. Davidson, Mr. Peterson, and Mr. Tischler.
25	You've already recognized them.
26	Although we originally asked for an hour

1	and a half, we took very seriously your request that
2	we cut down. We are going to try to do everything
3	on our side within 45 minutes which should leave
4	enough time for the community and for any questions,
5	as well.
6	We've made as our application as
7	identical as possible to the zoning order approved
8	by the Commission in 1990. The differences are
9	truly minor, but we believe they strengthen the
10	proposal. I would point out at this time that when
11	we made our first application in 1990, the zoning
12	was C-2-A and R-4. We are asking for C-3-C. In
13	1994, the Council adopted a comprehensive plan
14	change to high density commercial for the site in
15	keeping with their desire to make North Capital
16	corridor a major office building area.
17	The Zoning Commission has already held a
18	hearing in order to change the zoning to C-3-C, as
19	you know. Consequently, we're starting from a much
20	closer base and, although we're asking for less than
21	we did in 1990 because of that, we've not changed
22	our FAR, design, uses or any element of the amenity
23	package.
24	There are a few changes, and I would
25	point them out at this point. The most significant
26	are as follows. First, the single lot 188 has been

1	subdivided into four lots, 190 through 193. Second,
2	we have taken advantage of the efficiency of the
3	arrangement of the loading berths to reduce their
4	numbers to the minimum required by zoning. Third,
5	while the previous zoning order called for 614
6	parking spaces to be provided, we are providing 656
7	in order to cover the increases which may be
8	required if we use the flexibility we're seeking to
9	build an additional office level below ground.
10	Fourth, we have asked for flexibility to
11	combine Buildings A and C into a single building.
12	They are now attached anyway, so the change, the
13	appearance will certainly materially differ. Fifth,
14	we have also asked for the flexibility to build the
15	project in as many as three phases. Although it is
16	our preference to construct the project at one time,
17	the markets will dictate how and when tenants become
18	available. Through this and other elements of
19	flexibility, we want to give this project every
20	chance to succeed, either by attracting a single
21	user or a combination of smaller users.
22	The first phase would include the day
23	care center and at least one of the office
24	buildings. The second and third office buildings
25	would be built in one or two phases. We suggest the
26	order require a building permit for the first phase

1	to be applied for within two years with an
2	additional year to begin construction. The time
3	limit for each succeeding office building should be
4	two years from the start of construction of the
5	previous building.
6	At this point, I am pleased to turn the
7	microphone over to LuAnn L. Bennett, President of
8	NJH Corporation.
9	MS. BENNETT: Good evening. Madam
10	Chairperson, Members of the Zoning Commission, thank
11	you for giving me the opportunity to participate in
12	this hearing as a member of the New Jersey and H
13	Street Limited Partnership. As Mr. Gell indicated
14	in his introduction, my name is LuAnn Bennett. I am
15	the only new member to the development team. I'm
16	the President of the corporate general partner, a
17	position that I now fill in the place of my late
18	husband, Richard Bennett.
19	Together, Richard and Brig Owens
20	assembled the group that you'll see before you this
21	afternoon, created the original PUD, and presented
22	it to the Zoning Commission in May of 1990. That
23	PUD was granted by the Zoning Commission in December
24	of that same year. We believe very strongly in its
25	benefits to the District, in the positive economic
26	impact that it will have on the surrounding

1	neighborhoods, and in the youth that it will work to
2	educate.
3	All of us are committed to seeing this
4	project through to completion. I hope that the
5	series of events that I'm about to describe will
6	help you understand why the partnership was unable
7	to move forward within the time allowed under the
8	previous zoning order.
9	In 1990, Bennett and Owens formed a
10	limited partnership to compete along with other
11	developers for the right to lease and develop the
12	three and a half acre parcel at the corner of New
13	Jersey and H Streets. Based upon the merit of their
14	proposal which included a substantial commitment to
15	the community and a 37.5 percent minority
16	participation and minority ownership, they were
17	awarded a 99 year ground lease. The partnership
18	then created a PUD which expanded those commitments
19	to include significant participation in the project
20	by local community groups enhancing the benefits
21	that this development would bring to the surrounding
22	neighborhoods.
23	The PUD that was passed required that
24	the developers break ground for one of the office
25	buildings, begin construction of the pre-school, and
26	fund an educational foundation. The severe real

1	estate recession that began in the early 1990s was
2	certainly a pivotal event, changing the face of the
3	real estate market for investors and developers
4	alike. in spite of its occurrence, however, an
5	option included in the New Jersey and H Street
6	ground lease to construct the first of the project's
7	three buildings for the D.C. Law School would have
8	allowed the project to begin the first of the
9	project's three buildings within the time allowed.
10	When the District chose not to exercise
11	its option due to budgetary considerations, the
12	developers were left without a tenant at a time when
13	the real estate market was falling precipitously.
14	The above difficulties were further compounded by
15	the fact that during the same time period Bennett
16	and Owens, through a separate partnership, was
17	constructing an office building on an expedited
18	schedule to comply with the lease with the District
19	of Columbia for space at the corner of North Capital
20	and H Streets.
21	In 1991, however, the District informed
22	the developers of its decision not to go forward
23	with its lease at 800 North Capital. This created a
24	severe hardship for the developers. They had not
25	only borrowed significant sums of money but had
26	substantially completed the building and much of the

1	tenant space. They were left with an empty building
2	in a real estate market that was in severe decline.
3	Ultimately, they were able to save the 800 North
4	Capital Street project, but not without paying a
5	tremendous price, both financially and personally.
6	In 1993, Richard was diagnosed with
7	leukemia. In the 12 months following his diagnosis
8	Richard and I spent our time either in the hospital
9	where he underwent aggressive chemotherapy or at
10	home recovering. Anyone who's gone through a
11	similar experience will understand the shift or
12	priorities that occurs when one's life is
13	threatened. Simply stated, the PUD and all other
14	real estate issues were set aside so that our full
15	attention could be given to saving his life.
16	In spite of our efforts, Rick lost his
17	battle with cancer. He died in September of 1994.
18	After Rick's death, I joined Brig Owens and John
19	Hauser full time in the real estate side of our
20	business. We own and operate a number of office
21	buildings, all located in the District of Columbia,
22	and have been very active over the years in leasing
23	space to the federal government.
24	Over the past 12 months, it's become
25	very clear to us that the real estate market is
26	showing real signs of improvement. We also have

1	become aware through our contacts at GSA of
2	significant requirements that may be coming to
3	market in the near future. The New Jersey and H
4	Street property is well located for either public or
5	private sector use. With its proximity to the U.S.
6	Capitol, Union Station, and the North Capital and H
7	Street Corridors. Development at this location
8	would be extremely beneficial to reviving the
9	surrounding neighborhood and to continuing to draw
10	development beyond the MCI Arena, the Washington
11	Opera, and the new Convention Center.
12	For these reasons, we have turned our full attention
13	to positioning this project to compete for future
14	tenants.
15	I would like to make one final point.
16	The decision to present the PUD in as close to its
17	original form was one that was not made lightly.
18	Brig and I were fully aware that the District was in
19	the process of rezoning this property to C-3-C
20	zoning in order to comply with the District's
21	comprehensive plan passed in 1994. It was, however,
22	very important to both of us that the amenity
23	package and all the commitments made by Rick and he
24	to the residents in that community remain intact.
25	They believed, as we do today, that education is a
26	key to changing lives. The pre-school, the

1	educational foundation, and the community
2	participation was their attempt to act on that
3	belief.
4	Rich isn't here any more but his
5	commitments are. Tonight we're asking for your help
6	to help us finish what we began. Thank you.
7	MR. GELL: At this time, Madam
8	Chairperson, I'd like to ask Mr. Hartman and Mr.
9	Davidson to come forward. Mr. Hartman and Mr.
10	Davidson did the original design, and we asked them
11	to follow through.
12	CHAIRPERSON BENNETT: Ms. Bennett, you
13	should know that the Commission extends our belated
14	condolences to you, your family and the partnership.
15	MR. HARTMAN: Good evening.
16	CHAIRPERSON BENNETT: Good evening.
17	MR. HARTMAN: I'm George Hartman from
18	the firm of Hartman and Cox Architects in
19	Washington.
20	What I want to do is start immediately
21	by going into the site map to make sure that we all
22	understand exactly where this site is. It's shown
23	in gray. It's superimposed over a real estate map,
24	but the site is shown in gray. North Capital
25	Street. This is Massachusetts Avenue, New Jersey
26	Avenue, and the site is at the corner of New Jersey

1	and H.
2	The building referred to earlier, 800
3	North Capital Street, done by the same development
4	team, same architects, and now occupied by
5	government agencies, is right here. It's adjacent to
6	the Government Printing Office and, of course, we
7	have Gonzaga. We're looking towards North Capital
8	Street which these light buildings behind are on.
9	The site is important to understand that
10	we are very close to Metro. That's this red line
11	going through here. And we're equally distant from
12	Judiciary Square this is the Judiciary Square
13	Metro stop and the Metro stop in Union Station.
14	This building, of course, is the old Post Office
15	Building, and the Government Printing Office is
16	right here. This is a very nice lower part of North
17	Capital Street, and we'll come back and look at that
18	again.
19	We're looking at 800 between Government
20	Printing Office and St. Aloysis Church at Gonzaga.
21	This shows our complex, New Jersey Avenue, H Street,
22	800 North Capital Street, Government Printing Office
23	here, 800 here, St. Aloysis Church here. And what
24	we're going to do now is look at some slides of the
25	neighborhood to get a feel for it because it is a
26	rather special place, and it's an interesting

1	juxtaposition. The pivotal building for us has
2	always been this wonderful old Government Printing
3	Office which inspired 800. 800 is glassier, it has
4	a much more open pedestrian ground level front than
5	this does, but obviously our debts to this very
6	strong industrial building are quite clear.
7	800, the Gonzaga playing field. This is
8	down I Street. Gonzaga is along here. 800 at this
9	point. Our site is immediately to the right and
10	immediately behind us in this slide.
11	Some of the adjacent apartment
12	buildings, the Government Printing Office, this
13	apartment building immediately to the north of the
14	site. This is Gonzaga which goes off to the right.
15	Again, we're seeing the row of Gonzaga
16	coming up from St. Aloysis, the playing field. This
17	is our site at the head of the playing field.
18	Existing apartments and existing Gonzaga school
19	building.
20	This is a sketch, enlargement of a
21	sketch that we have here focusing down on the
22	Capitol. You can see all these cornice lines picked
23	up from the Government Printing Office and other
24	buildings making a very strong piece of urbanism
25	that reinforce and focus the views to the Capitol.
26	Our site is right here and this is a fairly accurate

1	reconstruction of looking down to the Capitol.
2	Many of the buildings in this area
3	this happens to be the Amico Building are
4	unsympathetic curtain wall buildings and we've
5	elected not to take our cue from these buildings but
6	rather from the 800 and Government Printing Office
7	building.
8	We're going to look now at a series of
9	plans of this. The site is developed here again,
10	Gonzaga 800. The site is developed to the cluster
11	of four buildings, three office buildings and a day
12	care center, and each of these buildings is very
13	much an independent building. They're very closely
14	designed in style, as the entire complex is closely
15	designed to 800. But they each are different and
16	each is conceived of as an individual building to
17	further break down the scale.
18	We're looking now at a ground plan.
19	This is the day care center with its lawn facing the
20	Gonzaga playing field here. Building A with its
21	parking entrance from I Street at the north and then
22	Building B with its parking entrance from I Street.
23	Notice that each of these buildings has an
24	individual entrance and core, individual entrance
25	from New Jersey, individual entrance from H.
26	Service is all clustered together in a common

1	service court really between Bulldings A and B and
2	it exits out to H Street.
3	This shows a typical parking level where
4	each of the buildings houses its own parking. They
5	are self-contained parking structures. Each has its
6	own ramp which spreads the burden of the parking as
7	much around the site as we can.
8	Buildings A and C are the two that we
9	would like permission to connect to form a single
10	building should a tenant request it. The sequencing
11	of the buildings is important because we may start
12	with either A, B, or C but, in any case, whichever
13	one we begin with, the day care center will be built
14	concurrently with that first building.
15	This shows the section of the offices on
16	top of the parking. This shows the service court in
17	the middle and the day care facing the playground.
18	All of the site measuring point is taken from the
19	middle of New Jersey Avenue 108' at that point.
20	The critical design motifs are taken
21	from the Printing Office and cornice lines run
22	through, whether they're from 800 which is taken
23	from the Printing Office itself, and even though the
24	site moves up hill, all of these alignments are
25	maintained. We can also see here one of the
26	existing apartment buildings immediately to the

1	north. You can see the Amico Building shown in here
2	for scale purposes. These are the Gonzaga buildings
3	between 800 and our H Street building, and here is a
4	section through one of the Gonzaga buildings, the
5	day care, and coming back up to the H Street
6	building.
7	We're going to look at photographs of
8	the model which is in front of you. You're seeing
9	it from this side, but it may be a little easier to
10	look at the photos and then the model because
11	they're bigger, and I've focused your attention a
12	bit. We're going to start from up here looking down
13	at the New Jersey Avenue entrance and then move
14	around this building in a counterclockwise fashion.
15	This is the first view. Measuring point is here.
16	We're looking at New Jersey Avenue and this slide
17	relates roughly to this sketch and the Capitol would
18	be here.
19	Again, the measuring point is the ground
20	sloping down from the north to the south, H Street.
21	Again, the H Street shown not as a single building
22	but rather as a group of buildings but with very
23	strong cornices that pick up the existing heights.
24	You can just pick up here and on the next slide at
25	this point the cut that is the alley as we look down
26	towards 800 and Government Printing Office, H

1	Street. We're looking down here and now we're
2	turned and get H Street in elevation. This should
3	look very much as the model appears to you now with
4	the service corridor here, the H Street parking exit
5	and entrance to Building C at this point.
6	We're now coming around and this is
7	taken from the playing field as opposed to all the
8	slides I've showed you of the playing field, and the
9	day care center is clustered here on its lawn
10	adjacent to the playing field in front of Building
11	A.
12	The last slide, we've turned the corner
13	and we're now back up on I Street. The day care
14	center, Building A and the end of Building B where
15	it turns back to where we started onto New Jersey
16	Avenue. For materials, this is a
17	detail of the rendering, but we're really using the
18	same materials that we used on 800. The building is
19	substantially brick with limestone colored precast.
20	It has painted aluminum trim spandrels. It has a
21	limestone base with bronze storefront and entrance
22	at that base.
23	This is in your kit but it's really a
24	detail of the building showing what these materials
25	are as we go through. It's very similar to what we
26	submitted previously.

1	This is the last pair of slides. Again,
2	we're looking back at the rendering. The point I
3	want to make and what we are intending to recreate
4	on New Jersey and H is this is that nice part of
5	lower North Capital. The Capitol is behind us but
6	the Post Office cornice and these wonderful
7	cornices, ours at 800, and these Government Printing
8	Office's back here, it has a nice character and we'd
9	like to get this to work again. In our case, we'll
10	have the Capitol setting up at the end as the sketch
11	suggests.
12	If there are any questions, I'd be glad
13	to answer.
14	CHAIRPERSON BENNETT: We are going to
15	wait until all of your presenters have gone.
16	MR. HARTMAN: Thank you.
17	CHAIRPERSON BENNETT: Thank you.
18	MR. GELL: I'd like now to ask Mr. Brig
19	Owens to speak. He became partners with Rick
20	Bennett about 14 years ago, and he will outline the
21	very strong benefit package that this project will
22	entail.
23	MR. OWENS: Good evening. Madam
24	Chairperson, Members of the Commission, my name is
25	Brig Owens. I'm a partner with Bennett and Owens
26	and a narther in the New Jersey and H Street Limited

1	Partnership.
2	I'd like to talk to you about the
3	amenities package which we feel is exceptional. The
4	amenities package is as follows. A 9,800 square
5	feet day care center/preschool for three to five
6	year olds with 20,000 square feet of green space
7	fully equipped for playground use. The partnership
8	will pay for its construction which will begin with
9	the first phase of the project. The educational
10	facility will provide day care, education, and
11	tutoring services first for the children of the
12	District residents who live in the neighborhood and
13	secondarily, to children whose parents work in the
14	neighborhood.
15	Parenting programs will also be
16	provided. The education facility will be staffed
17	with qualified educators and day care providers.
18	The educational facility will provide space for a
19	higher achievement program to tutor neighborhood
20	youth. Through our experience with I Have A Dream,
21	we feel it is essential to prepare children for
22	children and life at an earlier stage. The
23	educational facility will provide use of space to
24	the community and its senior citizens groups in the
25	neighborhood.
26	A minority educational foundation will

26

1	be established to operate, control and fund all the
2	activities of the day care center preschool
3	facility. The foundation will be funded with a
4	minimum of over \$4 million. It will be established
5	as a nonprofit District of Columbia entity. There
6	will be a seven member board of directors which will
7	include myself, LuAnn Bennett, members appointed by
8	the local ANC and community groups. The foundation
9	charter will require that the foundation utilize its
10	funds to benefit primarily the children of the
11	residents who live in the neighborhood.
12	Thirty percent of the funds distributed
13	from cash flow, refinancing, or sales proceeds
14	generated by the project will go to the Joshua Group
15	and the H Street Community Development Corporation.
16	Those funds are to be utilized to provide and
17	promote housing, education, health care, and
18	economic development.
19	We'll make our best efforts in working
20	with the community to use our 26,000 square feet of
21	retail space for pharmacy/drug store, small
22	convenience store/grocery store, bank/credit union,
23	hardware store, book/stationary/computer store,
24	sandwich shop, cleaners/shoe repair/tailor shop,
25	optical goods store, film exchange, photographic
26	studio, and a clothing store.

1	we have entered into a memorandum of
2	understanding with the Minority Business Opportunity
3	Commission committing ourselves to use our best
4	efforts to target 35 percent of the contract, both
5	during the construction and at the completion for
6	minorities. We will participate in the District's
7	First Source Employment Program to fill entry level
8	positions.
9	We think we have put together a project
10	that not only has the community involvement, but a
11	project that provides an educational base for the
12	youth to stand on and move forward. We have a
13	strong history of working with the community and
14	we're committed to continue to do so. Through our
15	800 North Capital Street Project and I Have A Dream
16	Program, we adopted 62 students at Terrell Junior
17	High School and guaranteed them that if they
18	graduated from high school, we would pay for their
19	college tuition. We retained a full-time project
20	coordinator and tutors to provide support and
21	guidance to these students. Today, 30 of our
22	students have just finished their first year of
23	college. We have seven additional students who will
24	graduate from high school this year. Fifty percent
25	of our class is in college and 72 percent of our
26	students graduated from high school on time. We

1	have an 80 percent retention rate in the I Have A
2	Dream Programs. I'm proud to say that we have one
3	of the highest rates in our national program.
4	We also purchased and donated to Terrell
5	Junior High School high quality computers, graphic
6	arts and communication equipment. In addition, we
7	set up a financial assistance scholarship program at
8	Gonzaga High School for minority students from the
9	District of Columbia. We plan to continue this
10	level of commitment with the prevocational site.
11	I thank you for your time and
12	consideration.
13	CHAIRPERSON BENNETT: Thank you.
14	MR. GELL: Mr. Stephen Petersen will now
15	talk about traffic.
16	MR. PETERSEN: Madam Chair, members of
17	the Commission, for the record, I'm Stephen G.
18	Petersen, traffic planning and engineering
19	consultant. I did the original traffic study on
20	this case when it was presented in 1990 and it was
21	reviewed by the DPW so, as a first step, I went back
22	and talked with staff at DPW to determine if they
23	wanted to make any changes in the approach that we
24	used at that time.
25	They concurred with the replication of
26	the prior study which we then proceeded to do and

1	determined that traffic conditions had not changed
2	substantially in that particular area of the city,
3	that the site could be accommodated by the street
4	system, that the other support transportation
5	facilities in terms of Metro rail and Metro bus were
6	still in place and, therefore, found that, as I
7	said, concluded that the project could be
8	accommodated. The review of DPW as contained in
9	their memorandum to you indicates that they concur
10	in that decision and, therefore, from a traffic
11	aspect we believe the project can go forward.
12	Thank you.
13	CHAIRPERSON BENNETT: Thank you, Mr.
14	Petersen.
15	MR. GELL: Thank you very much, and our
16	last witness will be Paul Tischler of Tischler and
17	Associates, who will outline the economic impact
18	regarding jobs, payroll, and taxes.
19	MR. TISCHLER: Good evening, Madam
20	Chairperson, members of the Commission. We also
21	updated the previous study, the fiscal impacts of
22	the proposed project. In brief, the completion of
23	the project will increase permanent employment for
24	District residents by 1,870 persons. An estimated
25	1,091 construction for D.C. residents are also
26	projected.

1	Upon completion, the office buildings
2	will generate annual revenues of about \$11.7 million
3	to the District on an ongoing basis.
4	During the two year construction period,
5	the city will receive income taxes from construction
6	workers estimated at about \$4.4 million, and these
7	figures do not include one time fees such as
8	building permits. That is the summary of our fiscal
9	impact.
10	CHAIRPERSON BENNETT: Thank you, Mr.
11	Tischler.
12	MR. GELL: Madam Chair, the high points
13	of our testimony are that this is conceptually a
14	reinstatement of the PUD that was granted in 1990
15	and the rezoning. It has graceful and site
16	appropriate architecture, an outstanding amenity
17	package which has not changed despite the passage of
18	time. We have shown that traffic will not be
19	substantially affected, and the project will bring
20	exceptional employment and economic benefits to the
21	District.
22	That concludes our presentation. Thank
23	you.
24	CHAIRPERSON BENNETT: Thank you, Mr.
25	Gell. You did it in half an hour.
26	Let me ask for the members of your team

1	to come back to the table so that we can find out if
2	our colleagues have questions of them. I will start
3	from my right.
4	COMMISSIONER PARSONS: No questions.
5	CHAIRPERSON BENNETT: No questions.
6	I'll go to my Vice Chair.
7	COMMISSIONER KRESS: First of all, more
8	than questions I would just like to make a comment.
9	I think this is a terrific project, not only
10	architecturally but also from the amenity point of
11	view. This is, as far as I've seen, one of the
12	largest amenity packages being brought forth to us
13	in the most recent projects we've reviewed, and I
14	know it's been a hardship to stick by some of those
15	old amenities as put forth years ago, and I'm just
16	very, very impressed with that and your willingness
17	to honor old commitments, shall we say.
18	The amenities is put forth in a couple
19	of places. They don't disagree. They're just
20	sometimes a little confusing, and you did reiterate
21	them. May I assume that the letter dated May 8 is
22	the best recapitulation f those amenities?
23	MR. GELL: That was a summary of the
24	amenities.
25	COMMISSIONER KRESS: A point that was
26	confusing but I believe you bottom lined it there

1	was the amounts of money and who the participants
2	are. That was somewhat confusing from some of the
3	material, but I think I'm pretty clear in summary as
4	to what the amenities are.
5	MR. GELL: You will find in your package
6	an amendment to the Joshua Group participation
7	agreement which does modify the participants, so
8	some of our earlier documentation actually had a
9	different set of people but some people were added
10	to it, so you should use the latest one that we've
11	given you.
12	CHAIRPERSON BENNETT: For instance, if
13	this Commission should act affirmatively, what ought
14	there be placed into the order? I guess that's what
15	we're looking for. You know what I'm saying? From
16	what should we draw?
17	MR. GELL: The entire of agreement
18	including the amendment. Nobody was dropped. We
19	just added two.
20	COMMISSIONER KRESS: And you have
21	executed the First Source employment agreement and
22	the draft memorandum of understanding. All of those
23	are in place.
24	MR. GELL: Those have been executed.
25	CHAIRPERSON BENNETT: Mr. Franklin,
26	question?

1	COMMISSIONER FRANKLIN: I share the
2	views of Commissioner Kress. I think it's a
3	magnificent project and my only hope is that it can
4	be successfully carried off. You have, I think,
5	posed a terrific challenge in that regard,
6	particularly with the amenity package. You're
7	bringing about a million square feet to market.
8	MR. GELL: Over a million.
9	COMMISSIONER FRANKLIN: Over a million.
10	I take it that this is not going to be something
11	that if GSA doesn't end up on line is going to be
12	sitting around. Do your studies show an ability of
13	that location to absorb over a million square feet
14	in the absence of GSA's commitment?
15	MS. BENNETT: Mr. Franklin, I'll address
16	that. We believe that private sector use could
17	extend to that area. Certainly, with its proximity
18	to the Capitol and Union Station. As you know,
19	Jones, Day, Reves and Poe is moving to the Acacia
20	site. They're taking that whole building, so we see
21	a strong move toward that, and it's one of the
22	reasons, as a matter of fact, that we had requested
23	the flexibility to be able to build this in three
24	separate phases. Certainly, there aren't many
25	million square foot users outside f the federal
26	government, but to be able to accommodate private

1	users, we felt that if we had the flexibility to
2	build the buildings one at a time that we certainly
3	would have that option of being able to accommodate
4	private sectors users, as well.
5	COMMISSIONER FRANKLIN: I think
6	certainly you ought to have that flexibility.
7	Now, with respect to the retail usage,
8	Mr. Hartman described the lower end of North Capital
9	as a relatively nice area, but my recollection is
10	that while it looks nice in bird's eye view, it's
11	not something that one would walk for pleasure along
12	because there isn't much in terms of, as I recall,
13	retail amenities there. You're talking about 26,000
14	square feet. Is that the maximum? When I look at
15	the first floor plan showing retail on H Street, is
16	that the entire 26,000?
17	MR. HARTMAN: In effect, that is the
18	entire H Street frontage that runs along here is
19	what we're indicating as that. Our experience is
20	that we can build 100 percent of the usable first
21	floor and no more, and that's what that does
22	represent. We're looking actually for a first floor
23	commercial floor that we don't seem to have our
24	hands on right now but yes, sir, that's correct, and
25	the reason it can't be increased is that we can't
26	make it work on the level change.

1	COMMISSIONER FRANKLIN: But your plan is
2	that will be designated for retail.
3	MR. HARTMAN: It is designated.
4	COMMISSIONER FRANKLIN: Okay. Thank
5	you. I have no further questions.
6	CHAIRPERSON BENNETT: Did the ANC come
7	in? All right. So there's no cross examination of
8	the applicant's witnesses. Thank you very much.
9	Did you want to say something else?
10	MR. GELL: I may at the end.
11	CHAIRPERSON BENNETT: Now let's turn to
12	the report of the Office of Planning.
13	MR. BASTIDA: Good afternoon, Madam
14	Chairperson, members of the Commission. For the
15	record, my name is Alberto Bastida with the D.C.
16	Office of Planning. The Office f Planning submitted
17	its report on May 12, and I will not go through the
18	report since the applicant has done a thorough
19	presentation and I would be just restating what has
20	been previously stated. I will go to the
21	recommendation and read it.
22	The project would replace a vacant lot
23	with an architecturally significant complex of
24	buildings that would go toward returning that part
25	of the city to respectability and produce, setting a
26	standard for future architecture and economic

1	development for both sides of North Capital Street										
2	and H Street.										
3	The proposal amenities package contains										
4	a strong educational component with a day care										
5	center/nursery school proffering facility and a										
6	minority educational foundation. The potential										
7	impact on residents of the area would be extremely										
8	positive. In addition, monies made available to										
9	community groups out of the net proceeds will fund										
10	housing, education and economic development projects										
11	well into the future.										
12	The Office of Planning recommends that										
13	this application be approved. We have submitted										
14	earlier today a report from the Department of Public										
15	Works in which they affirm their previous position										
16	on the project in which they have no objection and										
17	the only recommendation that they make is that the										
18	developer must coordinate all construction, street										
19	escape and design elements within the public space										
20	with the Department of Public Works and assumes that										
21	cost.										
22	That concludes my presentation. I will										
23	try to answer any questions you might have. Thank										
24	you.										
25	CHAIRPERSON BENNETT: Thank you, Mr.										
26	Rastida Colleagues questions of Office of										

1	Planning? None.										
2	COMMISSIONER KRESS: I'm sorry. I would										
3	note for the record, did you mention the Public										
4	Works report?										
5	MR. BASTIDA: Yes, I just did.										
6	COMMISSIONER KRESS: Sorry. I was just										
7	talking and wanted to make sure it was on the										
8	record. Thank you.										
9	CHAIRPERSON BENNETT: All right. Cross										
10	examination of the Office of Planning.										
11	MR. GELL: I decline.										
12	CHAIRPERSON BENNETT: I bet you do. All										
13	right. I assume the Advisory Neighborhood										
14	Commission has not come in. Then why don't we move										
15	on to persons in support and we'll first call Mount										
16	Carmel Baptist Church. Is there a representative										
17	from Mount Carmel? Ms. Blaylock, come on right on										
18	up.										
19	MS. BLAYLOCK: Good evening. I'm										
20	Margaret Blaylock from Mount Carmel Baptist Church.										
21	The Joshua Group wishes to go on record as										
22	supporting the application of the New Jersey and H										
23	Limited Partnership for the PUD and zoning										
24	modification on land leased from the District										
25	government as New Jersey and H Streets. We have										
26	been impressed with the design of the project as										

1	well as the amenities promised by the developer.										
2	The proposed office buildings will continue the										
3	superb architecture of 800 North Capital Street										
4	along H Street and on New Jersey Avenue.										
5	Our community is surely in need of jobs,										
6	education, housing and social amenities. Not only										
7	will the project create employment but, through the										
8	participation agreement with the Joshua Group, 15										
9	percent of the net profits of the project will be										
10	diverted to housing and educational programs which										
11	will benefit the residents of the neighborhood.										
12	In addition to our call for more										
13	shopping in the area, the developer has dedicated										
14	26,000 square feet of space to retail uses. We hope										
15	that the Zoning Commission will approve this PUD and										
16	rezoning without delay. Thank you very much.										
17	CHAIRPERSON BENNETT: Thank you. Ms.										
18	Blaylock, you were representing Joshua Group?										
19	MS. BLAYLOCK: Mount Carmel Baptist										
20	Church.										
21	CHAIRPERSON BENNETT: Mount Carmel										
22	Baptist Church.										
23	MS. BLAYLOCK: Yes. We are part of the										
24	Joshua Group.										
25	CHAIRPERSON BENNETT: Hold on. Let's										
26	find out if anyone has some questions.										

1	MS. BLAYLOCK: Oh, okay.
2	CHAIRPERSON BENNETT: Colleagues,
3	questions of Ms. Blaylock? All right. Thank you.
4	Has anyone come in from North Capital
5	Neighborhood Development? All right.
6	Center City Community Corporation, Mr.
7	Nesbitt.
8	MR. NESBITT: Madam Chairperson, my name
9	is Edward Nesbitt, Executive Director of Center City
10	Community Corporation. This is a 31 year community
11	owned and operated social service agency whose
12	target area includes the applicant's site. We have
13	been in this process from the very beginning, and we
14	believed then and now the design of the project will
15	enhance rather than overshadow the existing
16	community.
17	We also believe the community benefits
18	promised by the developer would enable the community
19	to realize many of the dreams of employment,
20	shopping, day care, meeting space and funds to
21	promote positive efforts in housing, education and
22	health care. The establishment of the Minority
23	Education Foundation with the substantial level of
24	funding will give youngsters a hand up the education
25	ladder.
26	As a member of the Joshua Group and as

1	an independent organization, Center City urges the
2	Commission to approve the application as presented.
3	Thank you.
4	CHAIRPERSON BENNETT: Thank you.
5	Colleagues, questions of Mr. Nesbitt? I take it the
6	applicant does not wish to cross examine.
7	Are there any other persons who wish to
8	testify this evening? I did not record any persons
9	in opposition.
10	All right. Mr. Gell, are you ready with
11	your closing remarks?
12	MR. GELL: Yes, Madam Chairperson. I
13	would begin by saying that the Advisory Neighborhood
14	Commission I believe has submitted something for the
15	record, a letter. I know Mr. Lawrence Thomas has
16	spoken very highly in favor of the project, so the
17	ANC has indeed been heard from.
18	We've made, I believe, a very strong
19	case for this PUD and rezoning. We've satisfied the
20	design, traffic, economic, and public benefits
21	requirements for a planned unit development and
22	rezoning. We've taken a number of steps in order to
23	speed the process so that we could be prepared to
24	respond to potential tenants who we are told will
25	soon be entering the market place for a site the
26	size of this one. We're gratified by the full

1	support of the Neighborhood and its organizations.
2	In view of the fact that there has been
3	no opposition and we have such a strong package, we
4	would at this time ask for a bench decision, and I
5	do thank you very much for your time.
6	CHAIRPERSON BENNETT: Thank you.
7	Colleagues, are we ready for a bench?
8	COMMISSIONER FRANKLIN: I am, Madam
9	Chair.
10	COMMISSIONER KRESS: Again, I don't know
11	if it was mentioned, but we do have a letter in the
12	record from Jack Evans.
13	CHAIRPERSON BENNETT: Yes, we do.
14	COMMISSIONER KRESS: Also in support.
15	CHAIRPERSON BENNETT: Mr. Parsons, are
16	you ready for a bench decision?
17	COMMISSIONER PARSONS: I think we're all
18	anxious to make such a motion.
19	CHAIRPERSON BENNETT: Well, let me hear
20	one. Give me a motion.
21	COMMISSIONER PARSONS: This project has
22	gotten better, I think.
23	CHAIRPERSON BENNETT: I think so, too.
24	COMMISSIONER PARSONS: It has matured
25	and there isn't anything we should do to stand in
26	its way, and let's get on with it. So who wants the

1	honor of making a motion to approve this
2	application? So moved.
3	COMMISSIONER FRANKLIN: Second.
4	CHAIRPERSON BENNETT: We've had a motion
5	and a second. Can we discuss conditions because we
6	are taking proposed action. I'll get us started.
7	It would seem to me that the recommendations made by
8	the Department of Public Works that all
9	construction, streetscape and design elements that
10	take place within public space ought to be
11	coordinated with them. We have the letter dated
12	June 2nd to which were attached the amenities
13	package that I think Mr. Owens was reading from
14	and, if that's the latest, then that ought to be
15	incorporated, I believe, in the conditions.
16	The applicant mentioned that they wanted
17	some phasing flexibility and they outlined that.
18	The ability to combine Buildings A and C to the
19	extent that there was a request by tenants to do
20	that, that nevertheless the day care center would be
21	built together with the first phase. There was an
22	increase in parking from 614 spaces to 656. There
23	were some changes in the loading berth
24	configuration, as I recall and, of course, one of
25	the differences that was outlined from the previous
26	PUD to now is that we're now looking at four lots,

1	lots #190 through 193 instead of the single lot										
2	#188.										
3	Colleagues, can you think of anything										
4	else that ought to be noted in the conditions										
5	outside of what we would normally incorporate?										
6	COMMISSIONER KRESS: I would say										
7	normally the agreements that have been arrived at										
8	and the documents they've submitted										
9	CHAIRPERSON BENNETT: That's right.										
10	COMMISSIONER KRESS: those are always										
11	referenced.										
12	CHAIRPERSON BENNETT: That's right.										
13	COMMISSIONER PARSONS: Mr. Gell in his										
14	opening remarks was talking about a two year										
15	sequence. The building would proceed. I can not										
16	repeat it but I think that ought to be incorporated										
17	in there. I'm sure he's written that somewhere. Do										
18	you remember that sequence of start after finish f										
19	the first building and then the second would start.										
20	COMMISSIONER KRESS: Could we not ask,										
21	as we often do, for findings of fact, conclusions of										
22	law, and often a draft										
23	CHAIRPERSON BENNETT: Would you happen										
24	to have a copy of findings of fact and conclusions										
25	of law in your hip pocket?										
26	COMMISSIONER KRESS: But what I'm saying										

1	is we can pass as a bench decision and in the final
2	decision allow them to submit detailed information
3	that might compose the order.
4	CHAIRPERSON BENNETT: I think that's a
5	good idea.
6	COMMISSIONER FRANKLIN: I think that's
7	the way to proceed and the Office of Planning's
8	memorandum does list amenities and public benefits.
9	They're very general, but they ought not be
10	overlooked in terms of the ultimate conditions. I
11	do think that while I don't want to put them into a
12	straight jacket that I would hate to see that retail
13	space go for office use or some other non-retail
14	purpose. I know that there's been some suggestion
15	that they're committed to the community for that and
16	that may be embodied in one of those agreements, but
17	I'd like to make sure that it's embodied somewhere.
18	COMMISSIONER KRESS: It is mentioned in
19	several of the letters. I mean I think all of the
20	information is here. My concern is is that they
21	perhaps are the best ones to articulate it and let
22	us make sure it includes everything.
23	COMMISSIONER FRANKLIN: I'm sure Mr.
24	Gell will be faithful to the terms of all of these
25	provisions.
26	COMMISSIONER KRESS: That retail

1	specifically is mentioned in the May 8, '97 letter.
2	COMMISSIONER FRANKLIN: Just want to
3	make sure it's in there.
4	CHAIRPERSON BENNETT: All right. Okay.
5	So if we don't feel we need give staff any further
6	guidance vis à vis the conditions, I'll call the
7	question. All those in favor sign by aye.
8	(Ayes)
9	CHAIRPERSON BENNETT: Opposed.
10	Abstentions. The ayes have it.
11	MS. BROWN: Staff will record the vote
12	as four to zero to approve the application.
13	CHAIRPERSON BENNETT: Now, colleagues,
14	what we have done is to take proposed action and I
15	want to thank you for your testimony and assistance
16	in this hearing. The parties in this case are
17	invited to submit proposed findings of fact and
18	conclusions of law. Any person who submits proposed
19	findings and conclusions should do so by June 27,
20	1997.
21	Parties are reminded that their findings
22	of fact should not include findings stating how
23	witnesses testified. The findings should be those
24	findings the parties believe the Commission should
25	make based upon the testimony and other evidence in
26	the record. Citations to exhibits and the

1	transcript are appropriate and encouraged. To
2	assist parties in the preparation of these findings
3	of fact and conclusions of law, a copy of the
4	hearing transcript will be available for review in
5	the Office of Zoning in about two weeks. Copies of
6	the transcript may also be purchased from the
7	recording firm.
8	When the transcript is received, the
9	Office of Zoning will contact the parties. After
10	the record is closed, the Commission will make a
11	decision on this case at one of its regular monthly
12	meetings. These meetings are generally held at 1:30
13	p.m. on the second Monday of each month and are open
14	to the public. Any person who is interested in
15	following this case further may contact the staff to
16	determine whether this case is on the agenda of a
17	particular meeting.
18	You should also be aware that if the
19	Commission proposes to approve the application
20	and we did since we have the proposed decision
21	must be referred to the National Capital Planning
22	Commission for federal impact review. The Zoning
23	Commission will take final action at a public
24	meeting following receipt of the NCPC comments after
25	which a written order will be published, and I
26	declare this hearing closed.

1			(W)	hereupon,	the	proceedings	went	off	the
2	record	at	6:38	p.m.)					
3									
4									
5									
6									
7									
8									
9									
10									
11									
12									
13									
14									
15									
16									
17									
18									
19									